



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Yvonne B. Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

Robert G. Splawn, MD
Senior Medical Director

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

*To improve health
through leadership,
service and education.*



www.ladhs.org

May 15, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE CEQA FINDING AND AUTHORIZE THE ACQUISITION OF
ECHOCARDIOGRAPHIC AND ENDOSCOPIC ULTRASOUND SYSTEMS
AT LAC+USC MEDICAL CENTER
(1st District) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that these actions are exempt from the California Environmental Quality Act (CEQA).
2. Authorize the acquisition of an echocardiographic ultrasound system for the Echocardiology Laboratory at LAC+USC Medical Center through the Los Angeles County Capital Asset Leasing (LAC-CAL) program at an estimated five-year cost of \$275,700, which includes an equipment purchase cost of \$274,876, an offsetting trade-in credit of \$49,580, and interest cost of \$50,404.
3. Authorize the acquisition of an endoscopic ultrasound system for the Gastrointestinal Laboratory at LAC+USC Medical Center through the LAC-CAL program at an estimated five-year cost of \$393,510 which includes an equipment purchase cost of \$321,578 and interest cost of \$71,932.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended actions, the Board is authorizing the purchase of two major fixed asset equipment items, specifically, echocardiographic and endoscopic ultrasound systems at LAC+USC Medical Center (LAC+USC). LAC+USC will use the new ultrasound systems to improve diagnostic services and aid physicians in planning and providing the best course of patient treatment.

On October 16, 2001, your Board adopted a policy whereby departments must obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater prior to submitting their requisitions to the Purchasing Agent.

FISCAL IMPACT/FINANCING:

The echocardiographic system estimated purchase cost is \$274,876 and has an offsetting trade-in credit of \$49,580. The equipment will be acquired through a lease-purchase with a five year repayment term through the LAC-CAL program with interest cost estimated at \$50,404. The endoscopic system estimated purchase cost is \$321,578 and will also be acquired through LAC-CAL with interest cost estimated at \$71,932.

The LAC-CAL purchase authorizations and funding for the equipment lease payments are included in the facility's Fiscal Year (FY) 2006-07 Final Budget, the FY 2007-08 Proposed Budget, and appropriation for lease payments will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The echocardiographic ultrasound system in the Echocardiology Lab will replace an older system that takes longer to complete studies and produces lower quality images because of its outdated technology. The new system will significantly improve the image quality and timeliness and perform more advanced studies that cannot be completed with the current ultrasound system.

The new endoscopic ultrasound system will be used in the Gastrointestinal Lab to more accurately identify the stage of upper gastrointestinal tract cancer and to detect masses under the surface of the intestine. The endoscopic ultrasound is a more accurate diagnostic tool than traditional magnetic resonance imaging or computed tomography scans.

Both new ultrasound systems will be transferred to the LAC+USC Replacement Facility when it is opened. A one-year warranty on parts and labor is included in the purchase of both pieces of equipment.

Implementation of Strategic Plan Goals

These actions meet the County's Strategic Plan goal of Service Excellence by promoting best practices for patient care and the Goal of Fiscal Responsibility by investing in the public infrastructure.

Consistency with Department of Health Services (DHS) System Redesign

These actions meet DHS' strategic goal by improving the health care services provided by DHS and enhancing the health of the residents of Los Angeles County.

ENVIRONMENTAL DOCUMENTATION:

The installation of this equipment is categorically exempt from CEQA pursuant to State CEQA Guidelines section 15301(a) and Class 1, Subsection (d) of the County of Los Angeles Revised Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987. Under this categorical exemption, minor alteration of existing structures, including installation of equipment which may require interior and exterior alterations of a building involving such things as interior partitions, exterior parapets, placement of walls, veneer facings and installation of false or drop ceilings, plumbing and electrical conveyances and heating and refrigeration systems, etc., is exempt.

CONTRACTING PROCESS:

The equipment acquisition falls under the statutory authority of the Internal Services Department Purchasing Agent, and the equipment will be competitively solicited by the Purchasing Agent in accordance with County Purchasing Policies and Procedures.

IMPACT ON CURRENT PROGRAM SERVICES (OR PROJECTS):

The acquisition of this equipment will improve the quality of patient care services provided at LAC+USC.

The Honorable Board of Supervisors
May 15, 2007
Page 3

Upon approval by the Board of Supervisors, the Executive Officer, Board of Supervisors is requested to return three adopted copies of this letter to DHS.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'BAC', with a large, stylized circular flourish underneath.

Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:rf
LAC-USC ULTRASOUND.RF.wpd

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors